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#### COMMONWEALTH OF VIRGINIA

## STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 6, 2000

APPLICATION OF

SMARTENERGY.COM, INC.

CASE NO. PUE000412

For a license to conduct business as an electricity and natural gas competitive service provider and aggregator

# ORDER GRANTING LICENSES TO PROVIDE ELECTRIC AND NATURAL GAS SERVICE

On August 23, 2000, SmartEnergy.Com, Inc. ("SmartEnergy" or "Applicant"), completed with the State Corporation Commission ("Commission") an application for licensure to conduct business as an electricity and natural gas competitive service provider ("CSP") and aggregator. SmartEnergy stated that it intends to market electricity and natural gas services to residential and small commercial customers in the retail access pilot programs of Appalachian Power Company d/b/a American Electric Power ("AEP-VA"), Virginia Electric and Power Company ("Virginia Power"), Rappahannock Electric Cooperative ("REC"), Columbia Gas of Virginia, Inc. ("CGVA"), and Washington Gas Light Company ("WGL").

On August 29, 2000, the Commission issued its Order for Notice and Comment, establishing the case, requiring that notice

be given to affected localities, providing for the receipt of comments from the public, and requiring the Commission's Staff to analyze the reasonableness of SmartEnergy's application and present its findings in a Staff Report to be filed on or before September 22, 2000. No comments from the public were received.

On September 22, 2000, a Staff Report was filed concerning SmartEnergy's fitness to provide competitive electric, natural gas, and aggregator services. The Staff concluded that SmartEnergy meets the financial and technical fitness requirements for licensure, and the Staff recommended that licenses be granted to SmartEnergy for the provision of electricity and aggregation services to residential and small commercial customers in the AEP-VA, Virginia Power, and REC pilot programs, and for the provision of natural gas and aggregation services to residential and small commercial customers in the CGVA and WGL pilot programs. The Staff's recommendation was made contingent upon the receipt of proof of newspaper notice.

On September 27 and 29 and October 3, 2000, SmartEnergy submitted proof of newspaper notice. The Affidavit of Publication reflected that publication was timely made with the exception of publication in the <u>Richmond Times-Dispatch</u>, which was made on September 11, 2000, three days after the

September 8, 2000, deadline. SmartEnergy did not file any response to the Staff Report.

NOW UPON CONSIDERATION of the application, the Staff
Report, and the other filings in this case, we find that
SmartEnergy's application to provide electric, natural gas, and
aggregation services should be granted. We also find that there
was substantial compliance with the newspaper publication
requirements of our August 29, 2000, Order, and that interested
parties were given an adequate opportunity to make comments if
they desired. Accordingly,

### IT IS ORDERED THAT:

- (1) SmartEnergy.com, Inc., hereby is granted license No. PE-7 to provide competitive electricity supply service to residential and small commercial customers in conjunction with the retail access pilot programs of Appalachian Power Company d/b/a American Electric Power, Virginia Electric and Power Company, and Rappahannock Electric Cooperative.
- (2) SmartEnergy.com, Inc., hereby is granted license No. PG-5 to provide competitive natural gas supply service to residential and small commercial customers in conjunction with the retail access pilot programs of Columbia Gas of Virginia, Inc., and Washington Gas Light Company.
- (3) SmartEnergy.com, Inc., hereby is granted license No. PA-4 to provide aggregation service to residential and small

commercial customers in the retail access pilot programs of
Appalachian Power Company d/b/a American Electric Power,
Virginia Electric and Power Company, Rappahannock Electric
Cooperative, Columbia Gas of Virginia, Inc., and Washington Gas
Light Company.

- (4) These licenses to act as a competitive service provider and aggregator are granted subject to the provisions of the Interim Rules Governing Electric and Natural Gas Retail Access Pilot Programs, 20 VAC 5-311-10 et seq. ("Interim Rules"), this Order, and other applicable statutes, orders and rules.
- (5) These licenses shall expire upon termination of the pilot programs to which they apply unless otherwise ordered by the Commission. These licenses are not valid authority for the provision of any product or service not identified within the licenses themselves and for which such a license is required.
- (6) Failure of SmartEnergy.com, Inc., to comply with the Interim Rules, the provisions of this Order, other State Corporation Commission orders and rules, or other applicable state or federal law may result in an enforcement action by the Commission including, without limitation, the revocation, suspension, or modification of the licenses granted herein, the refusal to renew such licenses, the imposition of appropriate

fines and penalties, or such other additional actions as may be necessary to protect the public interest.

(7) This case shall remain open for the consideration of any subsequent amendments or modifications to these licenses.